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**FIRST MOBILE GROUP HOLDINGS LIMITED**  
**(第一電訊集團有限公司)\***

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 865)**

- (1) POSSIBLE VERY SUBSTANTIAL ACQUISITION,  
POSSIBLE CONNECTED TRANSACTION AND POSSIBLE REVERSE  
TAKEOVER INVOLVING A NEW LISTING APPLICATION**
- (2) EXTENSION OF LONG STOP DATES FOR THE SUBSCRIPTION  
AGREEMENT AND STANDSTILL AGREEMENT AND EXTENSION OF  
REPAYMENT DATES FOR THE LOAN AGREEMENTS**
- (3) POSSIBLE APPLICATION FOR WHITEWASH WAIVER  
AND  
(4) SUBMISSION OF RESUMPTION PROPOSAL**

**THE PROPOSED ACQUISITION AND THE SUBSCRIPTION**

On 24 November 2012, the Company entered into the Term Sheet with CWCPI and the Julong Management Shareholders pursuant to which the Company proposed to acquire the entire issued and paid-up share capital of Julong at a consideration of approximately HK\$680 million (subject to adjustments pursuant to the Term Sheet) to be satisfied through the issuance of the Consideration Shares.

\* *For identification purposes only*

As previously announced by the Company on 16 September 2010 (prior to the entering into of the Term Sheet), the Subscription would result in the Investor becoming interested in approximately 95% of the voting rights of the Company. Pursuant to the Term Sheet and the Subscription Agreement (as amended and revised on 4 December 2012 to facilitate the transaction contemplated under the Term Sheet), upon completion of the Proposed Acquisition and the Subscription, the Vendors and the Investor will be interested in approximately 68% and 22% of the voting rights of the Company respectively. Based on the foregoing, the Investor will be interested in less than 30% of the voting rights of the Company upon completion of the Proposed Acquisition and the Subscription. The Investor will not apply to the Executive for any whitewash waiver.

The Proposed Acquisition will constitute a connected transaction, a very substantial acquisition and a reverse takeover for the Company.

#### **EXTENSION OF LONG STOP DATES FOR THE SUBSCRIPTION AGREEMENT AND STANDSTILL AGREEMENT AND EXTENSION OF REPAYMENT DATES FOR THE LOAN AGREEMENTS**

On 4 December 2012, the Company and the Investor entered into a side letter pursuant to which, the parties agreed, among other matters, to further extend the long stop date under the Subscription Agreement from 30 September 2012 to 28 February 2013. In addition, by a notice dated 28 November 2012, Deloitte Touche Tohmatsu informed all relevant parties participating in the Standstill Agreement that the long stop date under the Standstill Agreement has been further extended from 30 September 2012 to 31 December 2012.

On 4 December 2012, the Company also entered into side letters with each of the Lenders to, among other matters, extend the repayment dates under the respective Loan Agreements from 31 December 2012 to 28 February 2013.

#### **POSSIBLE APPLICATION FOR WHITEWASH WAIVER**

The entering into of the Term Sheet results in a possible mandatory offer obligation on the part of the Vendors for all the shares of the Company (not already owned or agreed to be acquired by the Vendors and parties acting in concert with them) in the absence of the grant of a whitewash waiver by the Executive under Rule 26.1 of the Takeovers Code. The Vendors will apply to the Executive for a whitewash waiver in connection with the Proposed Acquisition. The Vendors and the Company will jointly issue an announcement to set out, among other matters, further information relating to the Proposed Acquisition and the whitewash waiver application upon the entering into of the Acquisition Agreement. The Proposed Acquisition (which is subject to the signing and completion of the Acquisition Agreement) will be subject to certain conditions precedent including, among others, the grant of the aforesaid whitewash waiver. The Sellers have confirmed to the Company that they will not waive such condition.

## **SUBMISSION OF RESUMPTION PROPOSAL**

The Company is currently in the third stage of the delisting procedures. The Company has, on 4 December 2012, submitted the Resumption Proposal to the Stock Exchange, which involves, inter alia, the Proposed Acquisition.

### **GENERAL**

In accordance with Rule 3.7 of the Takeovers Code, the Company will issue further announcement(s) on a monthly basis until announcement of the entering into of the Acquisition Agreement is made or termination of the Term Sheet.

**The Proposed Acquisition is subject to, among other things, the signing and completion of the Acquisition Agreement and therefore may or may not materialise and the final structure and terms of the Proposed Acquisition, which are still subject to further negotiations between the parties, have yet to be finalised and may deviate from those set out in the Term Sheet. The publication of this announcement does not indicate that the Proposed Acquisition will be completed or that the trading in the Shares will be resumed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

Trading in the Shares has been suspended since 9:30 a.m. on 27 November 2009 and will remain suspended until further notice.

This announcement is made pursuant to Rule 13.09 of the Listing Rules and Rule 3.7 of the Takeovers Code. Reference is made to the joint announcements of the Company and the Investor dated 16 September 2010 and 30 September 2010, and the announcements of the Company dated 5 July 2010, 14 July 2011 and 14 February 2012 (the “Announcements”). Capitalised terms used herein shall have the same meanings as defined in the Announcements unless the context requires otherwise.

## **THE PROPOSED ACQUISITION AND THE SUBSCRIPTION**

On 24 November 2012, the Company entered into the Term Sheet with CWCPI and the Julong Management Shareholders pursuant to which the Company proposed to acquire the entire issued and paid-up share capital of Julong for a consideration of approximately HK\$680 million (subject to adjustments pursuant to the Term Sheet), to be satisfied through the issuance of the Consideration Shares. Julong was established in May 2007 and is principally engaged in power generation, power supply and sales of electricity within various regions in Chongqing in the PRC.

The Term Sheet is legally binding on the parties thereto. Pursuant to the Term Sheet, the Company proposed to acquire (i) 47.55% equity interests in Julong from CWCPI (or if CWCPI transfers or assigns all of its equity interests in Julong to Energy Industry, then the Company shall acquire the aforesaid equity interests in Julong from Energy Industry); and (ii) 10% equity interests in Julong from the Julong Management Shareholders. The Sellers shall procure the Remaining Julong Shareholder to dispose of its 42.45% equity interests in Julong to the Company. In the event that the Remaining Julong Shareholder fails to enter into the Acquisition Agreement, the Company will not be obliged to enter into the Acquisition Agreement with the Sellers.

As previously announced by the Company on 16 September 2010 (prior to the entering into of the Term Sheet), the Subscription would result in the Investor becoming interested in approximately 95% of the voting rights of the Company and trigger a possible mandatory offer obligation on the part of the Investor for all the shares of the Company (not already owned or agreed to be acquired by the Investor and parties acting in concert with it) in the absence of the grant of a whitewash waiver by the Executive under Rule 26.1 of the Takeovers Code.

The Subscription and the Proposed Acquisition are expected to be inter-conditional. Upon completion of the Proposed Acquisition and the Subscription, the Vendors and the Investor will be interested in approximately 68% and 22% of the voting rights of the Company respectively. Based on the foregoing, the Investor will be interested in less than 30% of the voting rights of the Company upon completion of the Proposed Acquisition and the Subscription. The Investor will not apply to the Executive for any whitewash waiver.

The Proposed Acquisition will constitute a very substantial acquisition of the Company under Chapter 14 of the Listing Rules and a connected transaction pursuant to Rule 14A.13(1)(b)(i) of the Listing Rules and will be subject to independent shareholders' approval. Furthermore, as the issuance of the Consideration Shares to the Vendors will result in a change in control (as defined under the Takeovers Code) of the Company, the Proposed Acquisition will also constitute a reverse takeover of the Company under Rule 14.06(6)(a) of the Listing Rules. Accordingly, the Company will be treated as if it were a new listing applicant and the Proposed Acquisition will therefore be subject to the approval of the Stock Exchange.

The Company is currently in the third stage of the delisting procedures under the Listing Rules. The Proposed Acquisition will form part of the Resumption Proposal which was submitted to the Stock Exchange on 4 December 2012. The Directors believe that the terms of the transaction are fair and reasonable and in the interests of the Company and its shareholders as a whole.

The Company considers that the Proposed Acquisition presents an opportunity for the Company to justify the resumption of trading in its Shares, as upon its completion, the financial predicament of the Company will be resolved and the shareholders of the Company will be afforded an opportunity to participate in a viable and profitable business with sustainable earnings.

#### **EXTENSION OF LONG STOP DATES FOR THE SUBSCRIPTION AGREEMENT AND STANDSTILL AGREEMENT AND EXTENSION OF REPAYMENT DATES FOR THE LOAN AGREEMENTS**

On 4 December 2012, the Company and the Investor entered into a side letter to (i) further extend the long stop date under the Subscription Agreement from 30 September 2012 to 28 February 2013; and (ii) waive certain undertakings under the Subscription Agreement in relation to the entering into of the Term Sheet and the transactions contemplated therein.

By a notice dated 28 November 2012, Deloitte Touche Tohmatsu informed all relevant parties participating in the Standstill Agreement that the long stop date under the Standstill Agreement has been further extended from 30 September 2012 to 31 December 2012.

On 4 December 2012, the Company also (i) obtained the consents of each of the Lenders to waive certain representations and undertakings under the respective Loan Agreements in relation to the entering into of the Term Sheet and the Proposed Acquisition; and (ii) entered into side letters with each of the Lenders to, among other things, extend the repayment date of each of the loans granted under the respective Loan Agreements from 31 December 2012 to 28 February 2013.

## **POSSIBLE APPLICATION FOR WHITEWASH WAIVER**

The entering into of the Term Sheet results in a possible mandatory offer obligation on the part of the Vendors for all the shares of the Company (not already owned or agreed to be acquired by the Vendors and parties acting in concert with them) in the absence of the grant of a whitewash waiver by the Executive under Rule 26.1 of the Takeovers Code. The Vendors will apply to the Executive for a whitewash waiver in connection with the Proposed Acquisition. The Vendors and the Company will jointly issue an announcement to set out, among other matters, further information relating to the Proposed Acquisition and the whitewash waiver application upon the entering into of the Acquisition Agreement. The Proposed Acquisition (which is subject to the signing and completion of the Acquisition Agreement) will be subject to certain conditions precedent including, among others, the grant of the aforesaid whitewash waiver. The Sellers have confirmed to the Company that they will not waive such condition.

## **SUBMISSION OF THE RESUMPTION PROPOSAL**

The Company is currently in the third stage of the delisting procedures. The Company has, on 4 December 2012, submitted the Resumption Proposal to the Stock Exchange, which involves, inter alia, the Proposed Acquisition.

**The Proposed Acquisition is subject to, among other things, the signing and completion of the Acquisition Agreement and therefore may or may not materialise and the final structure and terms of the Proposed Acquisition, which are still subject to further negotiations between the parties, have yet to be finalised and may deviate from those set out in the Term Sheet. The publication of this announcement does not indicate that the Proposed Acquisition will be completed or that the trading in the Shares will be resumed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.**

## **GENERAL**

The Sellers have confirmed to the Company that they had not dealt in the securities of the Company within 6 months prior to the date of this announcement.

In accordance with Rule 3.7 of the Takeovers Code, the Company will issue further announcement(s) on a monthly basis until announcement of the entering into of the Acquisition Agreement is made or termination of the Term Sheet.

Trading in the Shares has been suspended since 9:30 a.m. on 27 November 2009 and will remain suspended until further notice.

Further announcement(s) will be made by the Company as and when appropriate.

## **DEFINITIONS**

In this announcement, the following expressions shall have the following meanings as set out below unless the context requires otherwise:

“Acquisition Agreement”	a definitive sale and purchase agreement in respect of the Proposed Acquisition
“Consideration Shares”	new Adjusted Shares to be issued to satisfy the consideration of the Proposed Acquisition
“CWCPI”	重慶市涪陵水利電力投資集團有限責任公司 (Chongqing Fuling Water Conservancy and Power Investment Group), a company established in the PRC and the beneficial owner of 47.55% equity interest in Julong
“Energy Industry”	重慶市涪陵能源實業集團有限公司 (Chongqing Fuling Energy Industry Group Co., Ltd.), a company to be established in the PRC
“Fuling Water Resources”	重慶涪陵水資源開發有限責任公司 (Chongqing Fuling Water Resources Development Company Limited), a 52.5% owned subsidiary of Julong
“Julong”	重慶涪陵聚龍電力有限公司 (Chongqing Fuling Julong Electric Power Co., Ltd), a company established in the PRC
“Julong Group”	Julong, Fuling Water Resources and Julong’s associate companies, which are principally engaged in power generation, power supply and sales of electricity within various regions in Chongqing in the PRC

“Julong Management Shareholders”	the management shareholders of Julong, who shall, subject to registration with the local Administration for Industry and Commerce in the PRC, own in aggregate 10% of the equity interest in Julong
“Lenders”	Time Boomer Limited and First Apex Investments Limited
“Loan Agreements”	the loan agreement dated 7 July 2011 entered into between Time Boomer Limited and MDL and the loan agreement dated 3 February 2012 entered into between First Apex Investments Limited and MDL
“MDL”	Mobile Distribution Limited, an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong
“Proposed Acquisition”	the proposed acquisition by the Company of the entire issued and paid-up share capital of Julong
“Remaining Julong Shareholder”	the beneficial owner of the remaining equity interest of 42.45% in Julong
“Resumption Proposal”	the resumption proposal which includes, among other things, the Capital Reorganisation, the Scheme of Arrangement, the Group Reorganisation, the Subscription and the Proposed Acquisition, submitted by the Company to the Stock Exchange on 4 December 2012 with a view to seeking the Stock Exchange’s approval for the resumption of trading in the Adjusted Shares on the Main Board of the Stock Exchange
“Sellers”	CWCPI and the Julong Management Shareholders
“Takeovers Code”	Code on Takeovers and Mergers



“Term Sheet” the term sheet dated 24 November 2012 entered into between the Company, CWCPI and the Julong Management Shareholders in relation to the Proposed Acquisition

“Vendors” the owners of the entire equity interest in Julong

By order of the Board  
**First Mobile Group Holdings Limited**  
**Ng Kok Hong**  
*Executive Chairman*

Hong Kong, 21 December 2012

*As at the date of this announcement, the Board comprises three executive Directors, namely Mr Ng Kok Hong, Mr Ng Kok Tai and Mr Ng Kok Yang.*

*The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, the opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.*